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FISCAL IMPACT STATEMENT

LS 6535

BILL NUMBER: SB 474

NOTE PREPARED: Feb 18, 2005

BILL AMENDED: Feb 17, 2005

SUBJECT: State Employee Health Insurance to Universities.

FIRST AUTHOR: Sen. Simpson

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill requires state educational institutions to report to the Budget Committee concerning the ramifications, costs, and cost savings in state educational institutions jointly purchasing insurance, materials, supplies, and services.

Effective Date: July 1, 2005.

Explanation of State Expenditures: (Revised) State educational institutions must cooperate to compile and submit a report to the Budget Committee not later than December 31, 2005, concerning the following:

(1) The joint purchase by state educational institutions of the following types of insurance:

(A) Life insurance.

(B) Health insurance.

(C) Property insurance.

(D) Supplemental insurance, including dental and vision insurance.

(E) Disability insurance.

(F) Worker's compensation coverage for:

(i) personal injury or death by accident arising out of and in the course of employment under worker's compensation; and

(ii) disablement or death by occupational disease arising out of and in the course of employment under worker's occupational diseases compensation.

(G) Other insurance offered by a state educational institution.

(2) The possible ramifications, costs, and cost savings in joining together to purchase insurance.

(3) The joint purchase of other materials, supplies, and services by the state educational institutions

and the ramifications, costs, and cost savings in jointly purchasing these materials, supplies, and services.

The above provisions will add administrative expenses to the state educational institutions. However, it is presumed that the universities will be able to compile the report within existing resources.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State educational institutions.

Local Agencies Affected:

Information Sources:

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